

Division VIII of Title 5 of the California Code of Regulations

Proposed Addition to Title 5 of the California Code of Regulations Pertaining to Cost Recovery Fees for Accreditation Activities

Notice of Proposed Rulemaking

The Commission on Teacher Credentialing (Commission) proposes to take the regulatory action described below after considering all comments, objections, and recommendations regarding the proposed action.

Public Hearing

A public hearing on the proposed actions will be held:

**December 13, 2013
8:30 a.m.
Commission on Teacher Credentialing
1900 Capitol Avenue
Sacramento, California 95811**

Written Comment Period

Any interested person, or his or her authorized representative, may submit written comments by fax, through the mail, or by e-mail relevant to the proposed action. The written comment period closes at 5:00 p.m. on December 9, 2013. Comments must be received by that time or may be submitted at the public hearing. You may fax your response to (916) 322-0048; write to the Commission on Teacher Credentialing, attn. Tammy A. Duggan, 1900 Capitol Avenue, Sacramento, California 95811; or submit an email at tduggan@ctc.ca.gov.

Any written comments received 15 days prior to the public hearing will be reproduced by the Commission's staff for each member of the Commission as a courtesy to the person submitting the comments and will be included in the written agenda prepared for and presented to the full Commission at the hearing.

Authority and Reference

Education Code (EC) section 44225 authorizes the Commission to adopt these proposed regulations. The proposed regulations implement, interpret, and make specific EC section 44374.5 that authorizes the Commission to implement a cost recovery plan for specified accreditation activities.

Informative Digest/Policy Statement Overview

Summary of Existing Laws and Regulations

Assembly Bill (AB) 86 (Chap. 48, Stats. 2013) added EC section 44374.5 and authorizes the Commission to develop and implement a cost recovery plan for specified accreditation activities. The purpose of the proposed cost recovery fees are to implement a cost sharing plan for the specified accreditation activities.

AB 110 (Chap. 20, Stats. 2013) assumes up to \$200,000 in funds [reference 6360-001-0407(8)] from the implementation of a cost recovery plan for the accreditation activities specified below. “Institution” as used in this section refers to an agency that is authorized to seek initial institutional approval in order to submit a professional preparation program for approval and accreditation pursuant to EC section 44373.

Reviewing Initial or New Educator Preparation Programs [EC §44374.5(a)]

Initial Institutional Approval

Initial Institutional Approval is the process that must be completed by an institution that has not previously been authorized by the Commission to offer educator programs in California. This is a lengthy process that requires review of Commission-adopted preconditions, program standards, and common standards. Additionally, because the institution is new to the process, multiple reviews and resubmissions are often required. These approvals are less frequent in occurrence than other document reviews; however, they require considerable time for reviewers.

Initial Program Review

Initial Program Reviews (IPR) are initiated in two ways: 1) an approved institution intends to offer a new program and submits a program proposal for review; and 2) the Commission revises program standards to such a significant degree that institutions are required to rewrite a program proposal and submit it for IPR. Staff will include a discussion of costs when presenting proposed program standards revisions to the Commission for approval at a regularly scheduled public meeting. The Commission will determine, after considering all comments, objections, and recommendations, whether programs will be required to submit the new program for IPR and bear the associated costs or if submission of a no-fee transition plan will suffice.

Accreditation Activities in Excess of the Regularly Scheduled Data Reports, Program Assessments, and Accreditation Site Visits [EC §44374.5(b)]

Focused Site Visit

The Commission’s accreditation system allows the Committee on Accreditation (COA), as defined in EC section 44373, to call for a focused site visit when the institution is not complying with the accreditation system activities or if there are concerns expressed about a program or institution.

Late Document Reviews

Institutions are required to submit Biennial Report documents to the Commission that include two years of assessment data being used to ensure that candidates are developing, and completers have acquired, the appropriate skills and knowledge to prepare them to be professional educators. Institutions are required to submit Program Assessment documents to the Commission in Year Four of the accreditation cycle to assist the institution in preparing for the site visit in Year Six as well as providing information to the site visit team. The Commission incurs additional costs when reviewing documents that are submitted past an established due date, including costs associated with rescheduling reviews, recruiting additional reviewers, and holding additional review events.

Program Assessments Requiring More Than Three Reviews

Program assessment occurs in Year Four of the accreditation cycle. This is a review of all programs offered by an institution. Program assessment is used to assist the institution in preparing for the site visit in Year Six as well as providing information to the site visit team.

Two Board of Institutional Review (BIR) members review the program assessment documents in a protected environment facilitated by Commission staff to determine if the programs are preliminarily aligned with the program standards. If the reviewers cannot determine that the response is aligned to the standards, the institution resubmits documents with additional information. More than three reviews of a program assessment are considered extraordinary and are beyond the normal accreditation activities. Program assessment documents that require numerous reviews require redirection of staff time as well as travel costs related to the reconvening of BIR members to perform the additional reviews.

Full Program Review During Site Visit

Program assessment documents are due to the Commission two years prior to the scheduled site visit. When an institution does not complete the program assessment process six months prior to the site visit, and when completion of that activity is due to the fact that the documents were significantly late, the document will not be read as a program assessment document, but will be reviewed as part of the site visit responsibilities. The costs for two additional BIR members to perform a full review of the document during the site visit will be the responsibility of the institution upon approval of the proposed regulations.

Site Revisit

The purpose of a site revisit is to allow an institution that received stipulations from the COA following an accreditation site visit the opportunity to demonstrate to a review team that it has modified its practices or corrected its deficiencies. Site revisits generally require a two-day visit of a smaller team within one year of the original site visit. The site revisit team always includes a team lead, which in most cases is the same team lead as the original visit, and a Commission consultant. The number of reviewers depends upon the number and complexity of issues identified, but generally includes at least one reviewer in addition to the team lead.

Reports Addressing Stipulations

An institution granted “Accreditation with Stipulations” by the COA must complete a seventh year report as part of the accreditation review process. The report should address the action taken by the institution to address any stipulations as well as the standards determined by the review team to be “not met” or “met with concerns.” At the time “Accreditation with Stipulations” is granted, the COA will indicate whether the process for removal of the stipulations requires a site revisit.

If no site revisit is required, the consultant, and in some cases the team lead, will review the responses provided in the seventh year report provided by the institution. The consultant and, if appropriate, the team lead will prepare a report with recommendations for COA consideration in determining whether the stipulations can be removed.

If a site revisit is required by the COA, the seventh year report will be provided to the review team to help with the assessment of the institution’s progress toward addressing the stipulations. Upon the conclusion of the site revisit, a report with recommendations will be prepared for COA consideration in determining whether the stipulations can be removed.

The review of reports addressing stipulations, with or without a site revisit, requires redirection of staff time.

Summary of Proposed Cost Recovery Fees

Beyond Standard Accreditation Cycle Activities Education Code §44374.5	Cost Recovery
Initial Institutional Approval	\$2,000
Initial Program Review 12 or more standards	\$2,000
Initial Program Review 6-11 standards	\$1,500
Initial Program Review fewer than 6 standards	\$1,000
Beyond Regularly Scheduled Accreditation Activities	Cost Recovery
Focused Site Visit	<i>\$1,000 per individual attending visit</i>
Late Document Reviews	<i>\$500 per program</i>
Program Assessment Requiring More than 3 Reviews	<i>\$1,000</i>
Full Program Review during Site Visit as a result of not completing program assessment process	<i>\$3,000 per program</i>
Site Revisit	<i>\$1000 per individual attending visit</i>
Reports Addressing Stipulations (no revisit required)	<i>\$500</i>
Reports Addressing Stipulations (revisit required)	<i>\$1000</i>

Objectives and Anticipated Benefits of the Proposed Regulations

The objectives of the proposed regulations amendments are to establish fees that will allow the Commission to recover costs incurred for initial institutional and new program review and accreditation activities in excess of the regularly scheduled data reports, program assessments, and accreditation site visits.

The Commission anticipates that the proposed amendments will benefit the welfare of students attending public schools in the State of California by providing the monetary means to perform its statutorily-mandated accreditation duties, thereby ensuring high quality educator preparation for the instruction of California public school pupils.

The proposed regulations will promote fairness and prevent discrimination by specifying that the cost recovery fees apply to all institutions offering Commission-approved programs, regardless of agency type. The proposed regulations will also increase openness and transparency in government by clarifying the cost recovery fees associated with initial institutional and new program review and accreditation activities in excess of the regularly scheduled data reports, program assessments, and accreditation site visits. The Commission does not anticipate that the proposed regulations will result in the protection of public health and safety, worker safety, or the environment, the prevention of social inequity or an increase in openness and transparency in business.

Determination of Inconsistency/Incompatibility with Existing State Regulations

The Commission has determined that the proposed regulation amendments are not inconsistent or incompatible with existing regulations. There are no other 5 CCR sections that specify cost recovery fees for accreditation activities associated with Commission-approved programs.

Documents Incorporated by Reference:

Accreditation Handbook Chapter Three, Institutional and Program Approval (rev. 2012):

<http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-03.pdf>

Accreditation Handbook Chapter Four, The Accreditation Cycle (rev. 2012):

<http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-04.pdf>

Accreditation Handbook Chapter Five, Biennial Reports (rev. 2012):

<http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-05.pdf>

Accreditation Handbook Chapter Six, Program Assessment (rev. 2012):

<http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-06.pdf>

Accreditation Handbook Chapter Eight, Accreditation Decisions: Options and Implications (rev. 2012): <http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-08.pdf>

Accreditation Handbook Chapter Nine, Activities during the Seventh Year of the Accreditation Cycle (rev. 2012): <http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-09.pdf>

Accreditation Handbook Chapter Eleven, Board of Institutional Review Member Skills and Competencies (rev. 2012):

<http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-11.pdf>

Accreditation Handbook Chapter Fifteen, The Accreditation Revisit (rev. 2012):

<http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-15.pdf>

Documents Relied Upon in Preparing Regulations:

August 2013 Commission Agenda Item 3D:

<http://www.ctc.ca.gov/commission/agendas/2013-08/2013-08-3D.pdf>

September 2013 Commission Agenda Item 4A:

<http://www.ctc.ca.gov/commission/agendas/2013-09/2013-09-4A.pdf>

Disclosures Regarding the Proposed Actions

The Commission has made the following initial determinations:

Mandate to local agencies or school districts: None.

Other non-discretionary costs or savings imposed upon local agencies: None.

Cost or savings to any state agency: Costs of \$0 to approximately \$7,000 every seven-year accreditation cycle per institution with document review or extraordinary accreditation activities.

The Commission implements a seven-year accreditation cycle that includes three major components: 1) program assessment, 2) biennial reports, and 3) site visits. In addition, Initial Institutional Approval and Initial Program Approval are accreditation functions associated with new programs and new institutions. Costs are primarily incurred for components of the accreditation system that require the use of experts from the field to determine if the documentation provided by institutions regarding the quality of their program's operations, faculty, and services for candidates are aligned to the requirements of the Commission's adopted standards. Expenses include reimbursement for the travel of volunteers and staff who review documents and participate in approximately 40 educator preparation program and institution site visits per year. This results in a projected outlay of \$415,000 for site visits, including pre-visits and revisits, in 2013-14 and \$271,000 for document review activities. The 2013-14 Budget Act authorizes the Commission to recover up to \$200,000 of these overall costs for activities other than regularly scheduled reviews.

Costs associated with accreditation activities vary depending on the scope of review required and the number of reviewers needed to accomplish the activity. There are currently 23 California State Universities (CSU) offering approximately 12 programs per entity (276 CSU programs) and 8 Universities of California (UC) offering approximately 7 programs per entity (56 UC programs) for a total of approximately 332 programs. There are also currently 59 private institutions of higher education offering approximately 8 programs per entity (472 programs) and 169 school districts and county offices of education offering approximately two programs per entity for a total of approximately 338 programs.

Provided below are estimates of the total yearly cost recovery fees by each institution type:

CSUs: 276 programs/1142 total programs = 24% x \$200,000 = \$48,000

UCs: 56 programs/1142 total programs = 5% x \$200,000 = \$10,000

Private Institutions: 472 programs/1142 total programs = 41% x \$200,000 = \$82,000

School Districts and County Offices: 338 programs/1142 total programs = 30% x \$200,000 = \$60,000

CSUs, UCs, private institutions, school districts, and county offices of education are not required by statute or regulations to offer Commission-approved programs. Further, the cost recovery fees are not intended to be punitive in nature. The fees are proposed as a means for the Commission to recover incurred costs associated with initial institutional or new program review and extraordinary accreditation activities as provided in EC section 44374.5.

Program sponsors may offset the costs associated with initial program review by providing Board of Institutional Review members [reference 5 CCR section 80692(a)(2)(D)]. In addition, program sponsors may avoid the proposed cost recovery fees associated with the extraordinary accreditation activities by successfully completing all scheduled accreditation activities on time. The Commission will not need to recover costs if no costs are incurred.

Cost or savings in federal funding to the state: None.

Significant effect on housing costs: None.

Significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states: None.

These proposed regulations will not impose a mandate on local agencies or school districts that must be reimbursed in accordance with Part 7 (commencing with section 17500) of the Government Code.

Cost impacts on a representative private person or business: There are currently 59 private colleges and universities offering approximately eight programs per institution for a total of approximately 472 programs. The Commission anticipates yearly costs of \$82,000 at a rate of \$0 to approximately \$7,000 every seven-year accreditation cycle per private college or university. Refer to the *Cost or savings to any state agency* section on page 5 for additional information.

The Commission is not aware of any cost impacts that a representative private person would necessarily incur in reasonable compliance with the proposed action.

Statement of the Results of the Economic Impact Assessment [Govt. Code §11346.5(a)(10)]: The Commission concludes that it is (1) unlikely that the proposal will create any jobs within the State of California; 2) unlikely that the proposal will eliminate any jobs within the State of California; 3) unlikely that the proposal will create any new businesses with the State of California; 4) unlikely that the proposal will eliminate any existing businesses within the State of California; and 5) unlikely the proposal would cause the expansion of businesses currently doing business within the State of California.

Benefits of the Proposed Action The Commission anticipates that the proposed amendments will benefit the welfare of students attending public schools in the State of California by providing the monetary means to perform its statutorily-mandated accreditation duties, thereby ensuring high quality educator preparation for the instruction of California public school pupils.

Effect on small businesses: The proposed regulations will not have a significant adverse economic impact upon business. The proposed regulations apply only to institutions offering Commission-approved and accredited educator programs.

Consideration of Alternatives

In accordance with Government Code section 11346.5, subdivision (a)(13), the Commission must determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the action is proposed, would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The Commission invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period or at the public hearing.

Contact Person/Further Information

General or substantive inquiries concerning the proposed action may be directed to Tammy A. Duggan by telephone at (916) 323-5354 or Tammy A. Duggan, Commission on Teacher Credentialing, 1900 Capitol Avenue, Sacramento, CA 95811. General question inquiries may also be directed to Martha Zavala at (916) 323-5080 or at the address mentioned in the previous sentence. Upon request, a copy of the express terms of the proposed action and a copy of the initial statement of reasons will be made available. This information is also available on the Commission's website at www.ctc.ca.gov. In addition, all the information on which this proposal is based is available for inspection and copying.

Availability of Statement of Reasons and Text of Proposed Regulations

The entire rulemaking file is available for inspection and copying throughout the rulemaking process at the Commission office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of the Notice of Proposed Rulemaking, the proposed text of regulations, the Initial Statement of Reasons, an economic impact assessment/analysis contained in the Initial Statement of Reasons, Commission agenda items 3D

from the August 2013 meeting and 4A from the September 2013 meeting. Copies may be obtained by contacting Tammy Duggan at the address or telephone number provided above.

Modification of Proposed Action

If the Commission proposes to modify the actions hereby proposed, the modifications (other than nonsubstantial or solely grammatical modifications) will be made available for public comment for at least 15 days before they are adopted.

Availability of Final Statement of Reasons

The Final Statement of Reasons is submitted to the Office of Administrative Law as part of the final rulemaking package, after the public hearing. Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting Tammy A. Duggan at (916) 323-5354.

Availability of Documents on the Internet

Copies of the Notice of Proposed Rulemaking, the Initial Statement of Reasons, and the text of the regulations in underline and strikeout can be accessed through the Commission's website at www.ctc.ca.gov.